
Trunkline Gas Company Conversion
ENERGY TRANSFER

Agenda

- ETE Overview
- Conversion Overview
- Conversion Timeline
- Major Conversion Issues Raised
  - Capacity
  - Reliability
  - Michigan
  - Contract Status
- Summary
- Questions

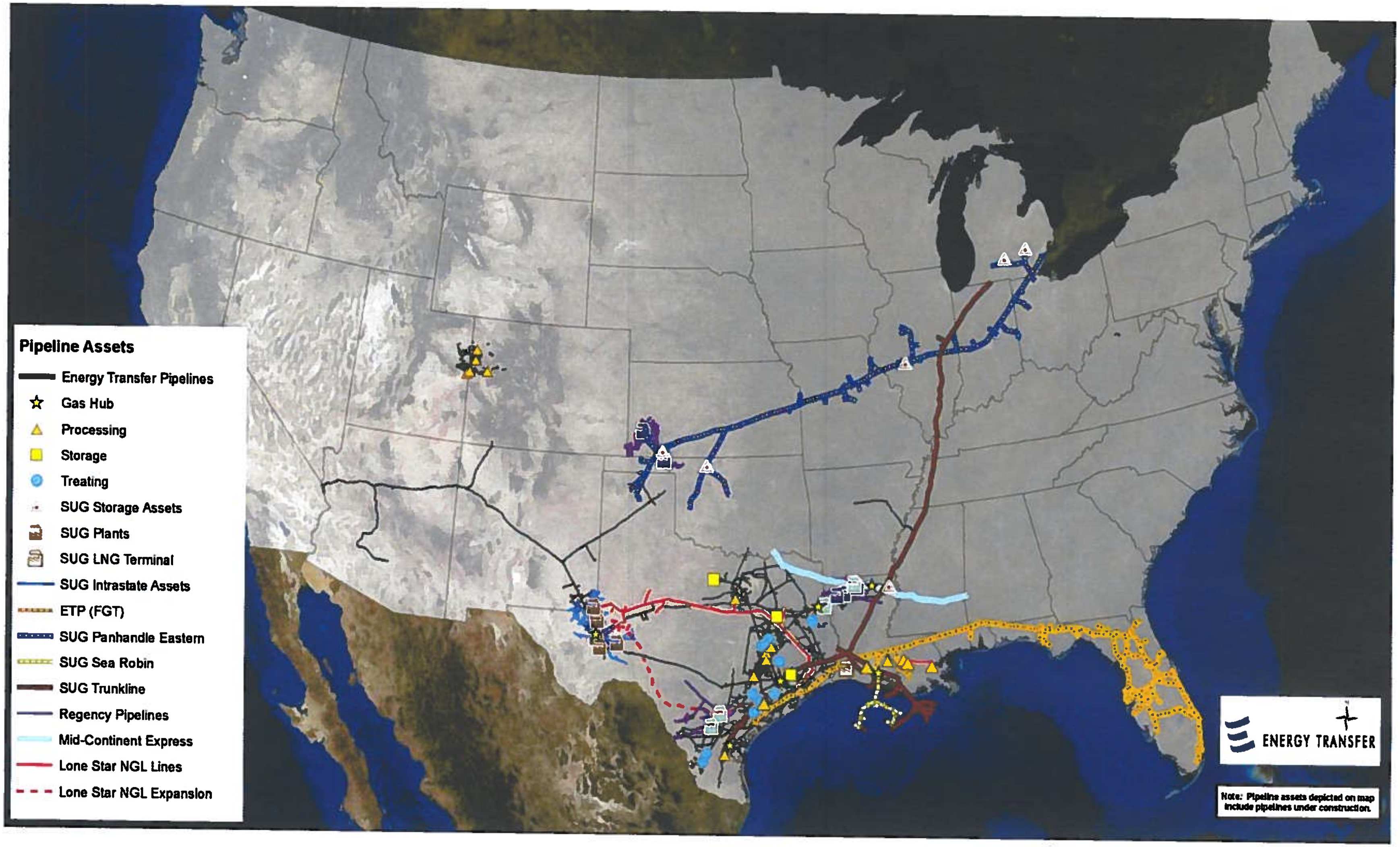
Energy Transfer Overview

- **The Energy Transfer family is a diversified organization comprised of:**
  - Southern Union (SUG), a wholly-owned investment grade subsidiary with transportation, storage, gathering and processing and distribution operations
  - Energy Transfer Partners (ETP), a large-cap, investment grade MLP with intrastate transportation and storage, interstate transportation, midstream operations and fractionation and liquids transportation operations
  - Regency Energy Partners (RGP), a mid-cap MLP with gathering and processing, transportation, contract compression, contract treating, fractionation and liquids transportation operations

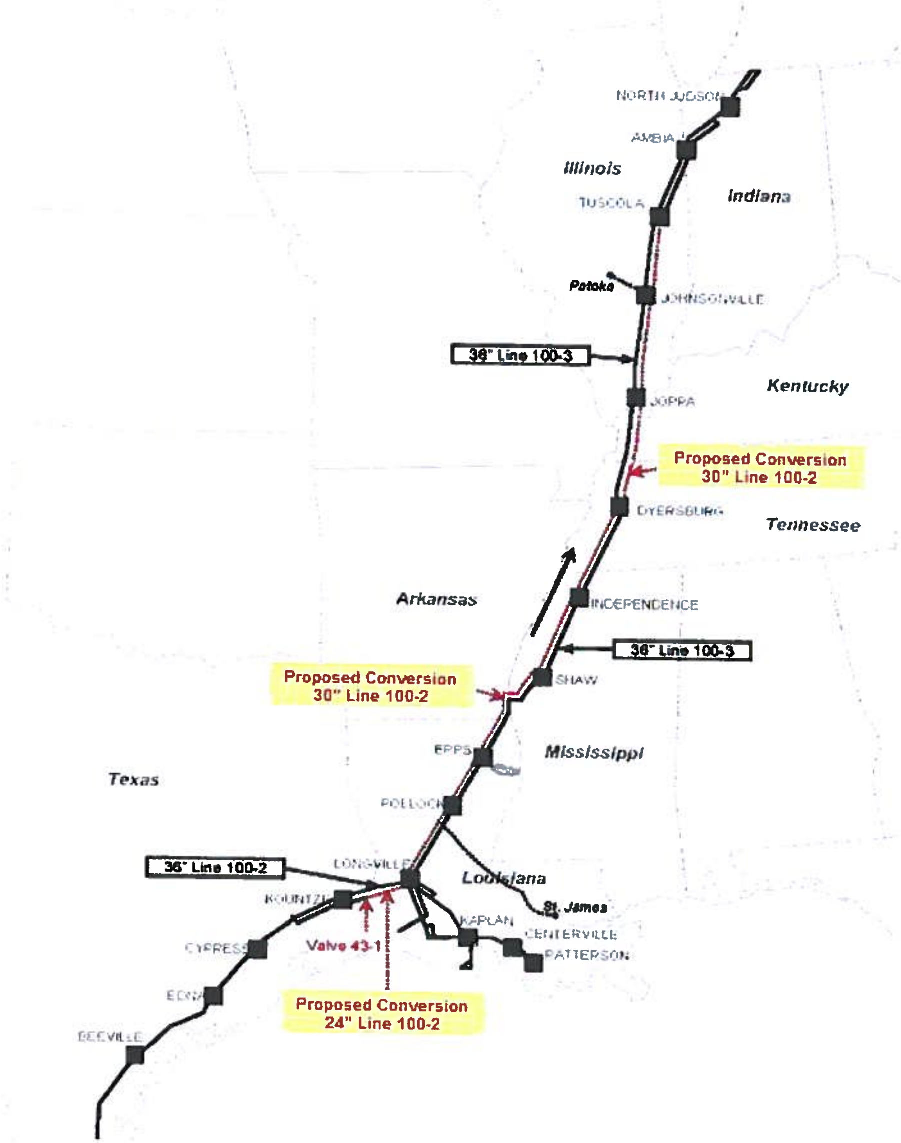
- **Fully consolidated, ETE owns*:**
  - Approximately 45,000 miles of natural gas and natural gas liquids (NGL) gathering and transportation pipelines
  - 51 natural gas processing, conditioning, and treating facilities
  - 142 Bcf of natural gas storage capacity
  - 47 million bbls working NGL storage capacity
  - 1 fractionator (2 more under construction)
  - One of North America's largest liquefied natural gas import terminals
  - More than 3,500,000 hp compression capacity

*Does not include recently acquired SUN/SXL assets

Energy Transfer Asset Overview



Trunkline Conversion Overview



Capacity Impact

- Mainline Conversion: 597,000 Dth/d
- Texas Conversion: 189,000 Dth/d

Horse Power Impact

- 15,850 HP reduction

Conversion Timeline

Spring 2013

Anticipated FERC Approval

July 26, 2012

FERC Conversion Filing

Summer 2013

Non-Capacity Impacting Conversion/ Construction Begins

November 2013

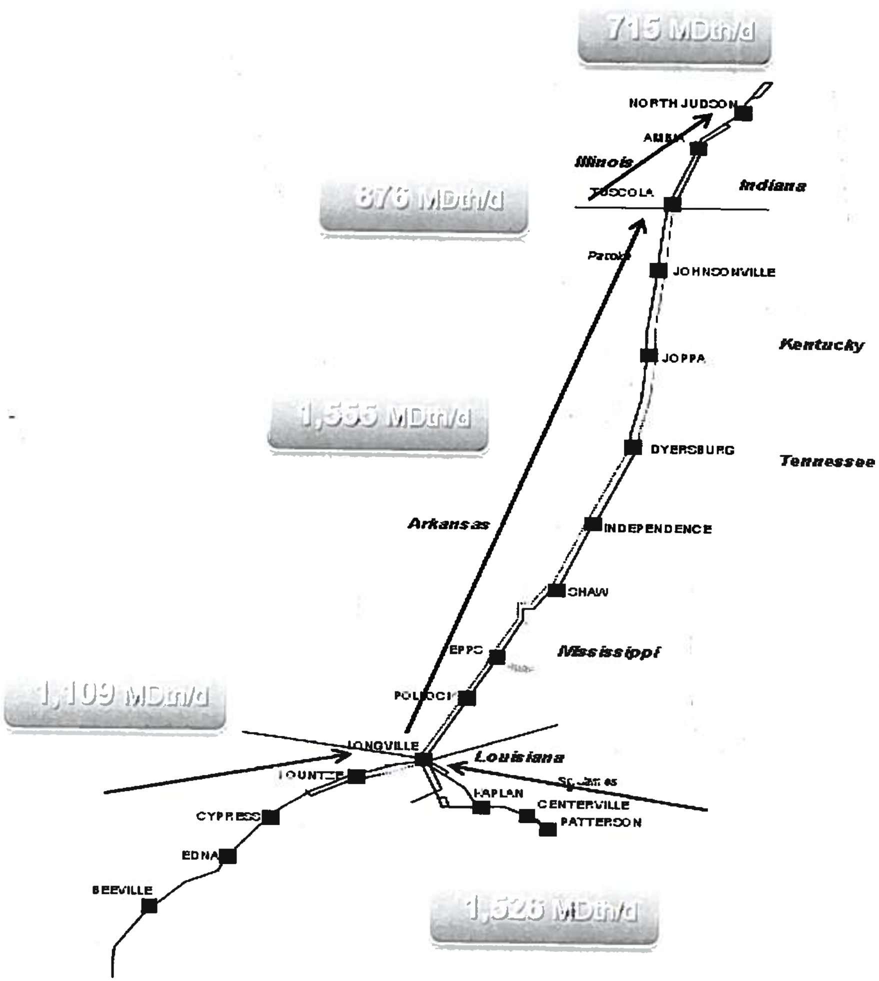
Impacted Gas Facilities Out of Service

Summer 2012 | Fall 2012 | Winter 2012 \| 2013 | Spring 2013 | Summer 2013 | Fall 2013 | Winter 2013 \| 2014 | Spring 2014

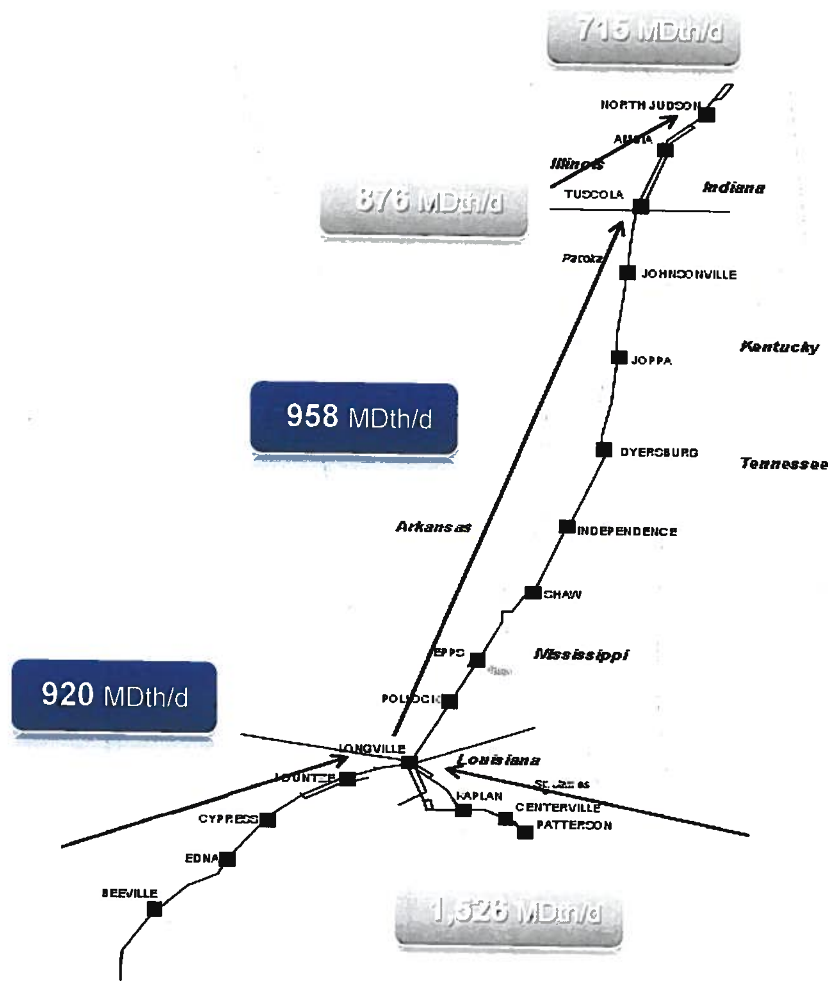
Spring 2014

Crude Oil Facilities In-service

Capacity – System Wide



Pre-Conversion



Post-Conversion

■ Capacity Modification

Reliability – Multiple TGC Mainline Supply Sources

Z1A Receipts	5,766,000
Z1B Receipts	1,100,000
Z2 Receipts	50,000
Total Receipt Capacity	***6,916,000 (Dth/d)***

Station	Location	Capacity
ANR Elkhart	80004	50,000
PEPL @ Bourbon	80023	700,000
REX Douglas	82745	175,000
MRT – East Line	82743	50,000
Texas Eastern – Lick Creek	93074	175,000
Texas Gas – Dyersburg	80070	150,000
Fayetteville Express – Bobo Rd.	82747	900,000
Texas Gas Greenville Lateral	85744	500,000
Centerpoint – Perryville	93073	70,000
Centerpoint – Richland Parish	82738	1,000,000
ETC – Tiger	82752	566,000
Regency	82804	1,000,000
Gulf South – Olla	81720	700,000
Crosstex – Mcnutt	82827	380,000
Acadian	82861	500,000

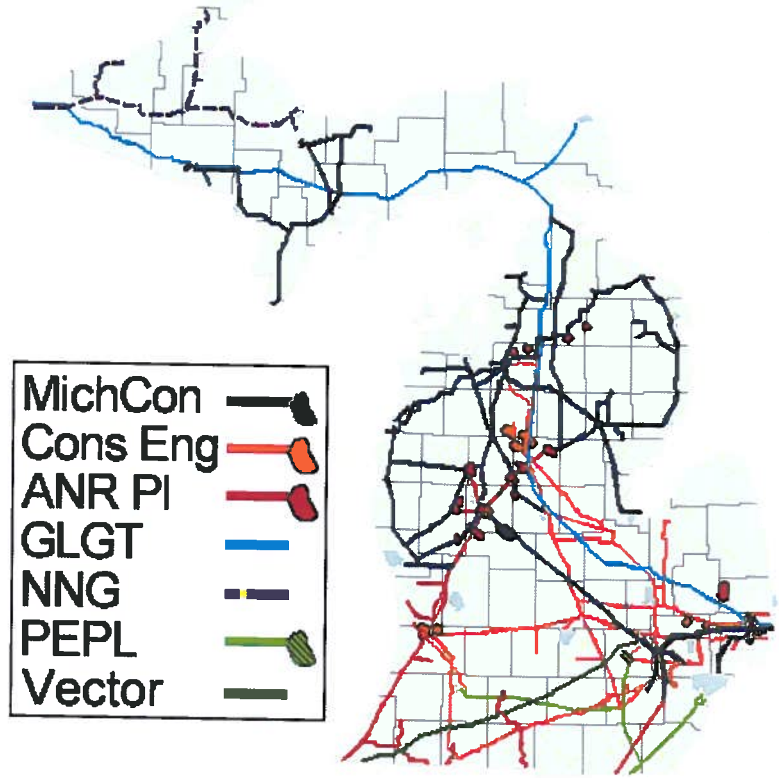
Michigan – Pipelines Serving the State

Interstate Pipelines [1/]

- ANR Pipeline Company
- Great Lakes Gas Transmission
- Northern Natural Gas Company
- Panhandle Eastern Pipe Line Company
- Trunkline Gas Company
- Vector Pipeline Company

Non-Interstate Pipelines [1/]

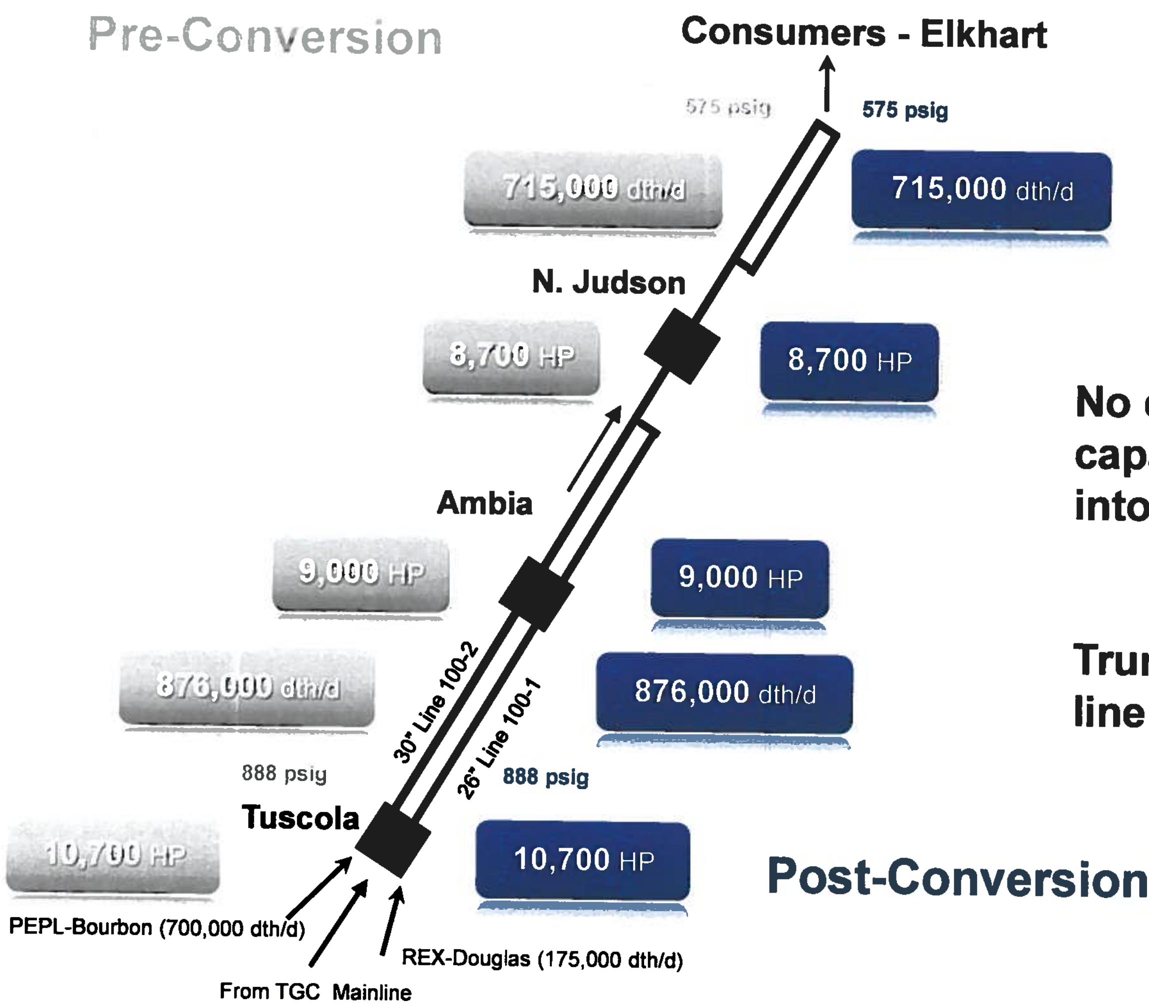
- Bluewater Pipeline Company
- Michigan Consolidated Gas Company



Pipeline Capacity Into Michigan: 9,557 MMcf/d [2/]

[1/] Michigan Public Service Commission: http://www.dleg.state.mi.us/mpsc/gas/pllinks.htm
[2/] Energy Information Administration: http://www.eia.gov/naturalgas/data.cfm#pipelines

Michigan – Capacity

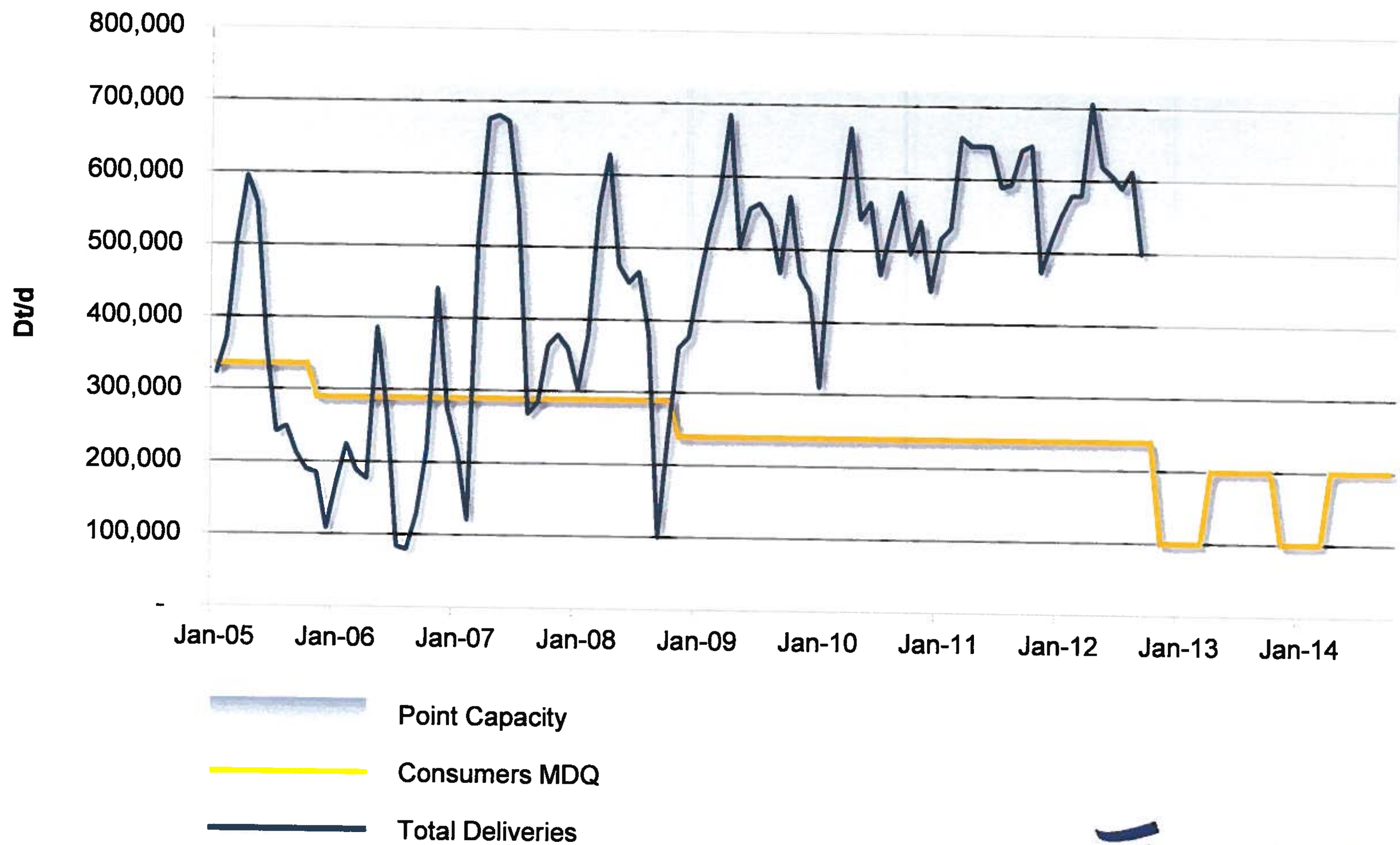


No change in Trunkline capacity or delivery pressure into Michigan

Trunkline continues looped line service into Michigan

Michigan – Consumers Capacity

Consumers Energy Contracted Capacity vs. Total Deliveries to Elkhart



Contract Status

- **Post-Conversion Contract Portfolio Snapshot:**

Remaining Term	MDQ	% of Tariff
>= 3 yrs	603,992 Dth/d	62%
< 3 yrs & >= 1 yr	168,730 Dth/d	68%
<1 yr	180,662 Dth/d	71%

Summary

Capacity (Post-Conversion)

- **Trunkline will continue to have capacity to serve all firm customer commitments**
  - The contracted level on the system on November 1, 2013 is less than the capacity of the remaining facilities, with approximately 35% under contracts expiring within three years
- **There will be no change in capacity at any receipt or delivery point on the system**

Reliability (Post-Conversion)

- **Bi-directional mainline flow capability provides multiple pathing options**
- **6.9 Bcf/d of market-area receipt capability, over seven times the capacity of the remaining mainline**
- **Multiple supply alternatives exist from the Gulf Coast to Tuscola, Illinois**

Summary

Michigan Service (Post-Conversion)

- Trunkline's delivery capacity and pressure to the state of Michigan will remain the same both before and after the conversion
- The core market area downstream of Tuscola, Illinois will continue to be served by looped pipelines with access to multiple supply sources

Rates

- Trunkline is proposing no changes to its existing rates for service